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## CITY OF West Hollywood

September 13, 2019

The Honorable Peggy Huang, RHNA Subcommittee Chair Southern California Association of Governments 900 Wilshire Boulevard, Suite 1700 Los Angeles, CA 90017

## CITY OF WEST HOLLYWOOD COMMENTS ON PROPOSED DRAFT METHODOLOGIES TO DETERMINE RHNA

The City of West Hollywood respectfully submits comments on the proposed draft methodologies for determining RHNA allocations after reviewing the proposed methodologies and the factors included in each methodology.

The City of West Hollywood has a long track record of working successfully to accommodate the growth of both local and regional populations, and housing needed to accommodate such growth. West Hollywood has adopted effective rent stabilization and tenant protections, successful inclusionary zoning requirements, and has a strong housing element to support local housing needs. Such actions have resulted in the City meeting its RHNA numbers in all affordability categories, and making it one of the only cities in the State to do so. West Hollywood has not stopped there but has continued to encourage and facilitate housing production, especially housing for those in greatest need.

We strongly believe that the current shortage of housing and the corresponding affordability crisis in California is unacceptable for a state that has led the nation in so many progressive fronts. California ought to be a shining example in the production and continuation of safe, affordable and sustainable housing.

We also strongly believe that moving forward, all jurisdictions must do their part to accommodate additional housing development while retaining and recapturing existing affordability, and that real leadership will be essential to accomplish this effort. Part of that leadership has to come from jurisdictions that for different reasons have not met their RHNA goals or even amended their housing elements and zoning ordinances to permit the construction of new housing and have not prevented the loss of naturally occurring affordable housing. Similarly, leadership has to come from the Legislature by enacting legislation that rewards good actors and penalizes jurisdictions that have not made the necessary changes to accommodate growth.

Leadership also has to come from organizations such as SCAG and it must be carried out by crafting a formula that in the end produces RHNA





allocations that distribute new housing units in a fair and equitable manner, that breaks away from past practices that gave a pass to low density jurisdictions in urban cores while piling units into lower income and densely populated areas, and areas outside urban centers. Therefore, we propose the RHNA subcommittee consider the following factors and include them in the final methodology:

- Jurisdiction's physical size and built density: Within existing urbanized areas a city's size should be considered, and smaller jurisdictions should not receive larger relative allocations compared to larger or less dense jurisdictions.
- **Projected Job Growth:** Consider more units allocated in areas with projected future job growth to accommodate that job growth, especially in areas with lower housing prices.
- Ability to Add Capacity: Consider a jurisdiction's ability to increase housing capacity by rezoning commercial and light industrial areas not currently zoned for housing or mixed use projects.
- Vacancy Rates: Consider the vacancy rates for market-rate units as well as affordable units, and vacancies created and exacerbated by short-term rentals.
- Social Equity Factor: Include a social equity factor that allocates a
  higher proportion of units to older, wealthier, less ethnically/racially
  diverse communities with less density to counteract the tendency in the
  RHNA process to assign units to higher-density communities, which
  oftentimes results in a higher number of affordable units assigned to
  more ethnically/racially diverse, lower income areas.
- Consider Housing Growth During Past Cycles: Provide credit to jurisdictions that have taken aggressive regulatory action and have met their RHNA numbers during the past two cycles. Include credit for building permit activity above and beyond RHNA numbers.
- Naturally Occurring Affordable Housing (NOAH): Consider a factor for preserving naturally occurring affordable housing through effective tenant protections and the recapture of existing affordable housing as affordable units in new housing development.
- Minimum number of units: Consider allocating a minimum number of affordable units to every jurisdiction to ensure the tremendous







Statewide gap between existing and needed housing units is closed in a relatively prompt manner.

• Existing infrastructure of a jurisdiction: Consider whether or not infrastructure is adequate to sustain additional housing units/residents.

In addition to the factors mentioned above for inclusion in the final methodology, the City of West Hollywood recommends SCAG and the State consider the following at the regional and State level:

- Regulatory actions to penalize communities that are not meeting their RHNA goals, that have not amended their housing elements to create additional capacity for new housing units, and/or are hampering construction of new housing units;
- Planning for future job-centers in areas of existing affordability and areas with room for growth; and
- Assurance that forms of housing supporting the transition from homelessness including all types of bridge, transitional and shelter housing are counted as units, and short-term rentals are not counted as units.

The City of West Hollywood appreciates all the work SCAG and its RHNA Subcommittee have done to develop a well-thought out formula and look forward to continue working together so all Californians have opportunities and options for housing they can afford.

If you have any questions or need additional information, please contact John Leonard, Manager, Community & Legislative Affairs at 323-848-6460 or via email at jleonard@weho.org.

Sincerely,

John D'Amico MAYOR

C: Hon Benjamin Allen, (SD-26) Hon Richard Bloom, (AD-50)



